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Letter of Comment No: 3457
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From: Heidi Sterner [heidi@sierrahealth.com]
Sent: Wednesday, June 09, 2004 6:13 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Heidi Sterner
3402 Cinnamon Creek Ave
N Las Vegas, NV 89031

June 9, 2004

Ms. Suzanne Bielstein
Financial Accounting Standards Board
401 Merrit 7
Norwalk, CT 06856-5116

Dear Ms. Bielstein:

Re: Share-Based Payment Exposure Draft

I work for a company that allows employees to purchase my employer's stock at a discount through an Employee Stock Purchase Plan (ESPP). I understand that the Financial Accounting Standards Board (FASB) has proposed a change to accounting standards that would require my company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount allowed in ESPPs.

I am concerned that required expensing of the discount in the ESPP may make this valuable benefit plan less attractive to my employer, potentially causing my employer to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit. Unlike benefits aimed only at high-paid executives, this is a valuable benefit for employees across the company.

The ESPP is a very important benefit to me. Being able to participate in an ESPP has enabled me to invest in my financial future and experience a sense of ownership in my company. This benefit helped attract me to and serves as an incentive for me to remain with my employer. I could even say I continuously strive to perform to the best of my ability because I am an owner of the company.

I am adamantly opposed to any changes to the ESPP. By utilizing my ESPP I have been able to pay off debt which allowed myself and my family to purchase a new home, pay for braces for a child and pay off credit card balances. Without the ESPP, these things would not have been possible.

I feel that having this as a benefit has been very important to myself and my family. Eliminating this would decrease the sense of ownership that I currently have for the company that I work for. I feel it would be penalizing those of us that do not receive stock options as part of our employment and benefits package.

Please reconsider this proposed action.

My name is Heidi Sterner and I am employed by Sierra Health Services in Las Vegas NV.

Millions of workers like me in companies across the country are able to

purchase their employer's stock through ESPPs. This builds company loyalty and helps to promote high standards of work when employees have a sense of ownership.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers like me and eliminate the expensing requirement for ESPP discounts in the final rule.

CC:
SEC, Chairman, William Donaldson
SEC, Chief Accountant, Donald Nicolaisen
Employee Ownership Coalition (eoc@vennstrategies.com)

Sincerely,

Heidi Sterner